Checking price rise of coal

3036. DR. D. VENKATESWAR RAO: Will the Minister of COAL be pleased to state:

(a) the reasons for privatisation of coal mines as announced earlier;

(b) whether coal prices are likely to shoot up on that account; and

(c) the steps proposed to check rise in the price of coal?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) The reasons for privatisation of coal mines are:—

(i) to cover the ever increasing gap between demand and supply of coal;

(ii) to augment investments in coal mining which are presently dependent on Government investment alone; and

(iii) to improve overall efficiency of the coal industry through competition.

(b) and (c) No, Sir. The Government decision to privatise coal mines and deregulation of coking coal and A,B,C & D grades of non-coking coal coupled with the lowering of import tariffs on import of coking coal and non-coking coal will lead to the emergence of a competitive market for coal in India. Further the imported coal is also not subject to payment of any royalty. These will have its beneficial effect to the consumer on the pricing of coal.

Supply of coal to Thermal Power Stations in Punjab

3037. SHRI MOHINDAR SINGH KALYAN: Will the Minister of COAL be pleased to state:

(a) whether Government propose to implement any legal provisions to provide quality and quantity of coal supply to the Thermal Power Stations in the State of Punjab;

(b) if so, the details thereof;

(c) if not, the reasons therefor; and

(d) the steps being taken by Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) to (d) Coal India Limited (CIL) has prepared a model coal supply agreement to be entered into with all power houses including those of Punjab. But the issue of joint sampling of coal at loading end is yet to be resolved. The power houses are not willing to accept the decision of the Government and the findings of the Court of Law to jointly conduct sampling of coal at the loading end. Coal India Limited is, however, pursuing the matter for finalising the legally enforceable contracts with the thermal power stations in the country including that of Punjab for supply of coal *inter-alia* covering the quantity and quality of coal.

Joint sampling of coal for power project

3038. SHRIMATI ANANDIBEN JETHABHAI PATEL: Will the Minister of COAL be pleased to state:

(a) whether joint sampling of coal for power stations was being carried out at the power station end as agreed to and implemented under various memorandum of understanding signed by the State Electricity Boards with Coal India Ltd.;

(b) whether it is also a fact that this practice has been changed unilaterally by Coal India Ltd. placing the State Electricity Boards in an awkward position because of the poor quality of coal resulting thereby in more consumption of coal by the State Electricity Boards;

(c) if so, the reasons for changing the practice of joint sampling; and

(d) the amount under dispute by the SEBs with Coal India Ltd. as a result thereof and the time by when the earlier practice of joint sampling of coal at power station end will be resumed?

THE MINISTER OF STATE OF THE MINISTRY OF COAL: (SHRIMATI KANTI SINGH): (a) Upto 1986, assessment of quality of coal supplies to power houses was being undertaken through sampling either at the loading end or at the power station end as mutually agreed upon by supplier and the consumers.